

## FRANCE

The market for waste recycling equipment and services had a total value of approximately \$7 billion in 2002, a 7-percent increase over 2001. The market for waste recycling equipment alone is approximately \$115 million. A total of 36.5 million tons of waste were collected, of which 31 million tons were treated. Over the last three years, the total amount of waste recycled has grown by 22 percent.

Waste recycling sectors include scrap iron and scrap vehicles, non-ferrous metals, paper and corrugated paper, textiles, plastics, glass, non-hazardous industrial waste, pallets, automobile demolition, biogas reutilization, electronics, electrical equipment, domestic packaging, and automobile tires.



EU directives and domestic environmental laws promote growth in the waste recycling market. However, the French industry's response to these laws and regulations has created several market opportunities. Sectors such as paper and corrugated cardboard recycling have experienced high growth rates.

## GERMANY

The plastics sector is one of the pillars of the German manufacturing industry. About 6,610 firms are active in this sector and employ 387,000 people. The majority of these companies are medium-sized. The German plastics industry consists of three main sectors: plastics production, plastics processing, and plastics machinery. The industry's total revenue was 65.2 billion euros in 2002. In 2000, the German plastics market experienced considerable growth, but it has since suffered from the effects of the overall recession in Germany and the uncertain global political and economic situation. Nevertheless, there are market opportunities for producers of new materials, plastic packaging materials, and innovative technologies.

share of desktop systems and increasing sales of portable systems, as well as servers. Due to higher duties for imported finished PCs, as opposed to imported components, local production from imported components determines market structure. PCs assembled in Ukraine currently account for more than 90 percent of the total PC market. International brands account for 70 percent of the notebook market. Local manufacturers and importers claim equal shares of the server market.

Computer manufacturers represent less than 10 percent of approximately 700 companies currently operating in the local computer market. Although there are dozens of small PC assemblers in Ukraine, only a small number of companies determine the profile of the local computer manufacturing industry.

Brand-name recognition of major U.S. computer manufacturers is strong, but pricing is still the key consideration for the Ukrainian purchaser. U.S. companies can access the Ukrainian market by tapping into an increasingly sophisticated network of local agents and distributors, who are able to reach a wide range of clients.

## THAILAND

The banking sector in Thailand is an integral part of the financial services industry. The sector started to grow in 2002, after a setback during the Asian economic and financial crisis in the late 1990s. In the early 1990s, Thailand's banking sector was growing between 15 and 20 percent yearly, but it contracted sharply in 1998 due to problem loans. Recovery in the Thai banking system came after the sector began to extend more loans to individuals and profitable business sectors in 2001 and 2002. A vital sign of growth was the 5-percent increase in credit extensions in 2002. Problem loans have also declined. These non-performing loans represented 50 percent of total loans in 1999, but have now been reduced to 10 percent. Growth

## UKRAINE

The Ukrainian IT market has demonstrated steady, 30–40 percent annual growth for the past three years. Industry experts estimate the demand for PCs in 2003 was 780,000 units and will be almost 930,000 PCs in 2004. All experts underline a trend for a decreasing market

in the Thai banking system is expected to be 3.5 to 4 percent in the next three to five years.

The size of the Thai banking system is \$155 billion in assets. There are 31 commercial banks operating in Thailand. The market leaders are private Thai banks, which include Bangkok Bank, Thai Farmers, and Siam Commercial Bank. State-owned banks such as Krung Thai Bank are reorganizing to be more competitive in anticipation of privatization.

Opportunities for U.S. companies in this sector include retail and consumer banking, banking automation, and distressed assets management services. Licenses to operate banking businesses can be obtained from the Ministry of Finance and the Bank of Thailand, the main regulatory bodies of the Thai financial system.

## SINGAPORE

**The U.S.-Singapore free trade agreement, America's first in Asia, entered into force on January 1, 2004.** The agreement includes extensive coverage of services. The agreement includes significant new market access in the banking and asset management sector, including access by U.S. banks to the local Singapore ATM network and liberalized procedures for selling asset management products. There is also increased market access in the insurance sector, including an end to the prohibition on U.S. firms supplying certain insurance products to Singapore.

The agreement also provides a secure, predictable legal framework for protecting U.S. investments in Singapore, including a basic set of substantive protections. These investor rights are backed by an effective, impartial procedure for dispute settlement. The agreement prohibits certain performance-related restrictions on U.S. investors, such as limits on the number of locations.

## SOUTH KOREA

**During the two decades that preceded the South Korean financial crisis of**

**1997-98, South Korea's heavy electrical equipment industry witnessed unprecedented growth.** Since then, the market for electrical equipment has been going through structural changes on both the supply and demand sides. Deregulation and privatization of the local electric power industry, once a virtual monopoly of the state-run Korea Electric Power Corporation (KEPCO), have begun.

When the financial crisis hit the nation, South Korean industry and government realized that industry could not survive unless it properly adapted to fast-changing, global market conditions. Thus, there has been a major effort to upgrade South Korea's technological infrastructure and to improve industry's ability to be responsive to the changing business climate. At the same time, the South Korean government has also sought to restructure related industries to make them more competitive. More emphasis is being placed on export sales, as the growth potential of the local market is becoming smaller. Attracting foreign companies is another strategy to stimulate competition in production, sales, and technological development.

## CHILE

**The industrial chemical industry represents 7 percent of Chile's GDP. Imports accounted for 30-percent of total demand in 2002.** Demand is projected to grow to \$5 billion by 2005. Industrial chemicals constituted 7 percent of all Chilean exports in 2002, compared with only 3.4 percent in 1995.

This industry has grown, on average, 12 percent annually for the last five years, which is nearly three times GDP growth for the same period. The production and exports of methanol, iodine, potassium nitrate, lithium carbonate, and rock salt spur most of this growth. Half of all the industry's imports are organic pigments and colorings, plastic resins, herbicides, fungicides, insecticides, acrylic resins, inks, ammonia, latex and synthetic rubber, and adhesives.

Latin American and European suppliers dominate the industrial chemicals market in Chile, holding 38- and 27-percent market share, respectively. Asian suppliers, mostly from South Korea and China, account for only 5 percent of the market. The United States was the largest single supplier of industrial chemicals in 2002, with a 35-percent market share.

U.S. firms should consider taking advantage of the recently signed free trade agreement between the United States and Chile. Most U.S. made products will enter Chile duty-free by 2007. A large number of industrial chemicals enter Chile duty-free now, since the agreement took effect on January 1, 2004.

The chemicals industry in Chile consists of nearly 130 manufacturing companies, producing 350 industrial chemical products, which are distributed by 200 firms solely devoted to marketing and distribution. Despite the large number of companies in this industry, it is highly concentrated. ■

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